

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER

SINGLE
ZONE ☐

MULTIPLE
ZONE ☒

2. NAME OF OPERATOR

Southland Royalty Company

3. ADDRESS OF OPERATOR

P.O. Drawer 570, Farmington, New Mexico 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

(C) 960' FNL & 1720' FWL

At proposed prod. zone

5. LEASE DESIGNATION AND SERIAL NO.

NM-03991

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Hill Federal 10510

9. WELL NO.

1

10. FIELD AND POOL OR WILDCAT

Gavilan Mancos/Gavilan
Greenhorn-Graneros-Dakota

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA

Section 24, T25N, R2W

12. COUNTY OR PARISH

Rio Arriba

13. STATE

New Mexico

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE

6 Miles Northeast of Lindrith, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any)

960'

16. NO. OF ACRES IN LEASE

560

17. NO. OF ACRES ASSIGNED
TO THIS WELL

N 320

N 320

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

700'

19. PROPOSED DEPTH

8260'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

7468' GL

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS"

22. APPROX. DATE WORK WILL START*

June 30, 1985

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	New 9-5/8"	32.30#, H-40	400'	248 cu.ft. (Circulate to surface)
7-7/8"	New 5-1/2"	15.50#, K-55	7000' Stge	1: 292 cuft (Cover Gallup-Mancos)
7-7/8"	New 5-1/2"	17.00#, K-55	8260' Stge	2: 150 cuft (Cover Cliff House)
			Stge	3: 314 cuft (Cover Nacimiento)

Surface formation is San Jose.

Top of Nacimiento sand is at 2505'.

Top of Pictured Cliffs sand is at 3547'.

Fresh water mud will be used to drill from surface to total depth.

It is anticipated that an IEL and GR-CDL/CNL will be run from total depth to surface casing.

No abnormal pressures or poisonous gases are anticipated in this well.

It is expected that this well will be drilled before July 15, 1985.

This depends on time required for approvals, rig availability and the weather.

Cas. is not dedicated

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone, and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TITLE Dist. Operations Engineer

June 6, 1985

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

RECEIVED

JUN 24 1985

DIST. 3

APPROVED
AS AMENDED

JUN 20 1985

DATE
John Kelle
M. MILLENBACH
AREA MANAGER

*See Instructions On Reverse Side

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

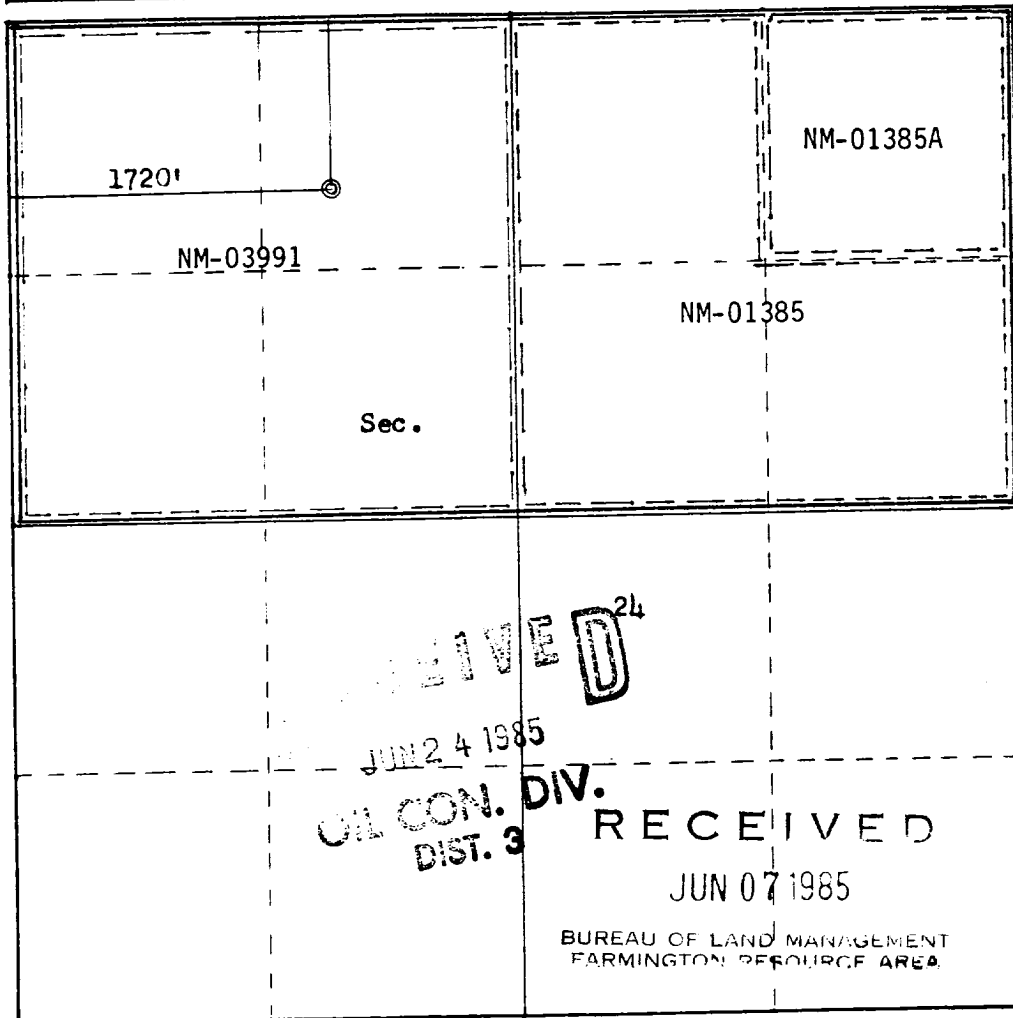
Operator SOUTHLAND ROYALTY COMPANY			Lease HILL FEDERAL		Well No. 1
Unit Letter C	Section 24	Township 25N	Range 2W	County Rio Arriba	
Actual Footage Location of Well: 960 feet from the North line and 1720 feet from the West line					
Ground Level Elev: 7468' GL	Producing Formation Mancos/ Greenhorn-Graneros-Dakota		Pool Gavilan/Gavilan	Dedicated Acreage: 320.00 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation Communitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



Scale: 1"=1000'

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
C. Terry Hobbs

Position
District Operations Engineer

Company
Southland Royalty Company

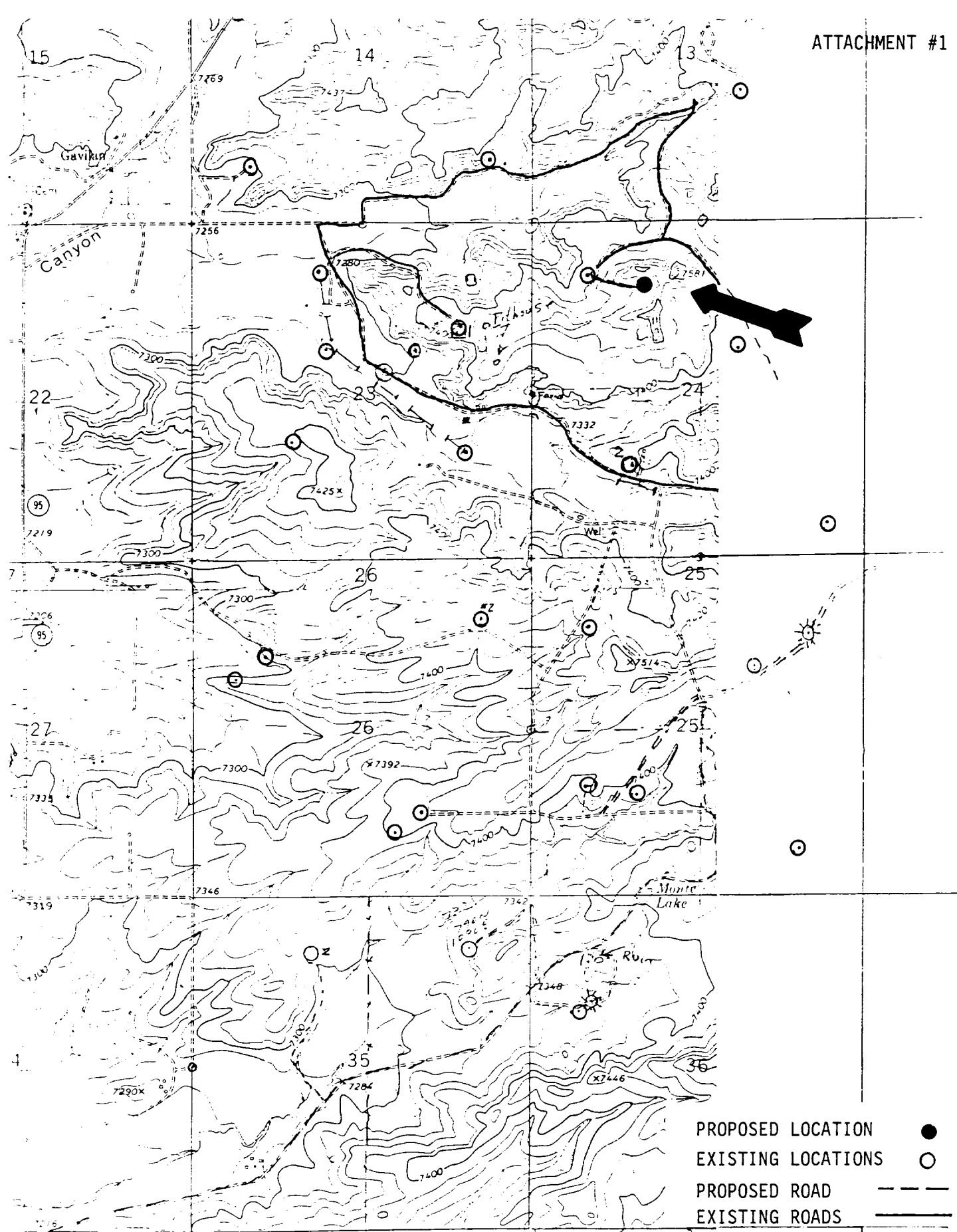
Date
June 6, 1985

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
May 17, 1985

Registered Professional Engineer and Land Surveyor
Fred B. Kerr Jr.

Certificate No. **3950**



Vicinity Map for
SOUTHLAND ROYALTY COMPANY #1 HILL FEDERAL
910'FNL 1720'FW L Sec. 24-T25^N-R2W
RIO ARRIBA COUNTY, NEW MEXICO